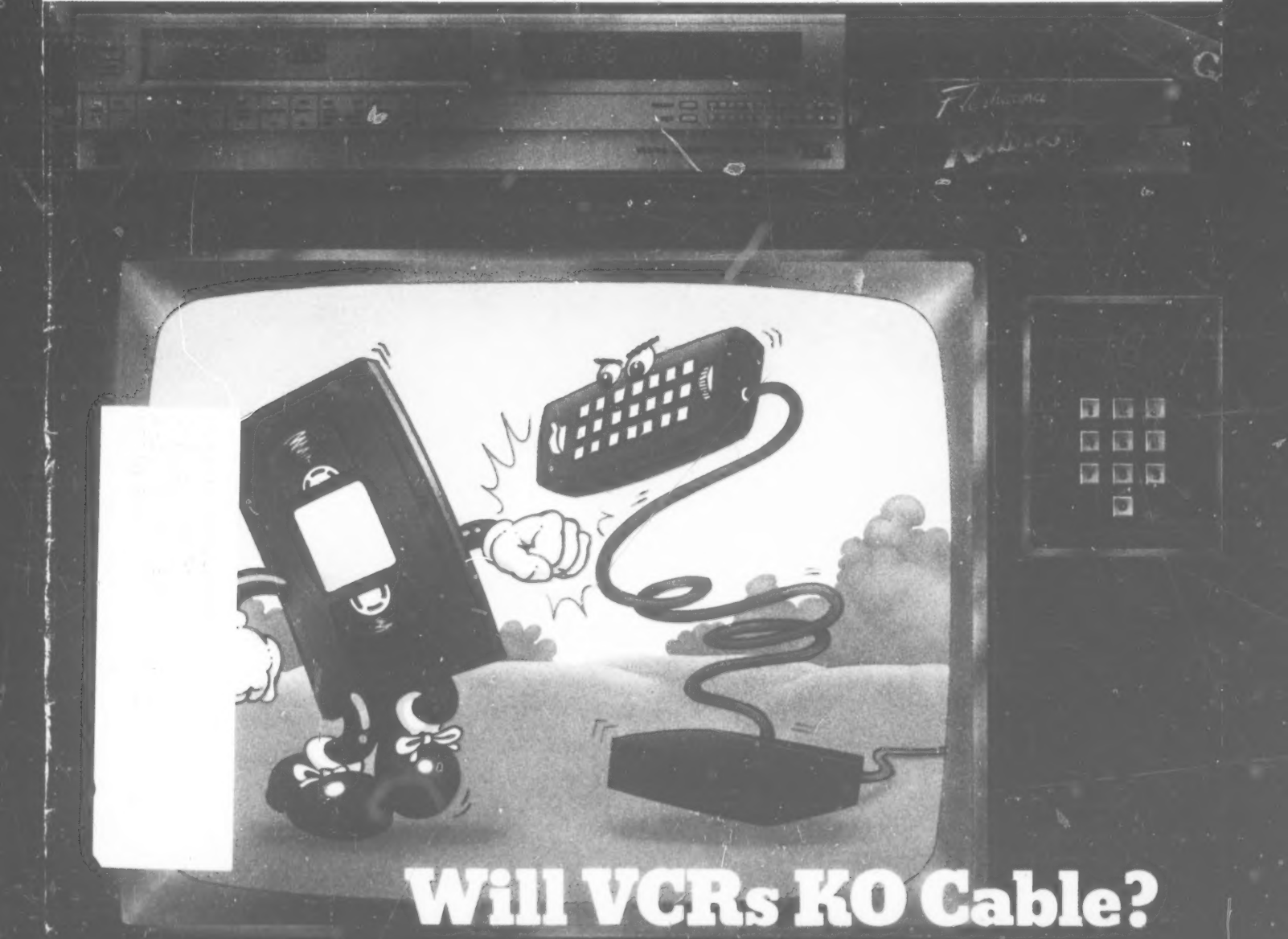
PLUS
MARKETING
Programmers woo
the critics

- ABC kills TeleFirst VCR downloading scheme
- U.S. cablers vie for Canadian market share
- More machinations on industry dereg bill
- Weinblatt decides: goodbye, Showtime

CableVision

The news and features weekly of the cable television industry June 25, 1984



Will VCRs KO Cable?

CableVision

This Week in Cable, pages 14-19

June 25, 1984, Volume 9, Number 43

CANADA SET FOR U.S. SERVICES

More than 2,000 Canadian cable operators and suppliers gathered at Ottawa's Capital Congress Center last week for the 27th annual Canadian Cable TV Association convention. Operators were greeted with previews of 16 U.S. satellite services scheduled for fall launch in Canada.

SHOWTIME'S UP FOR WEINBLATT

Showtime TMC President Mike Weinblatt decides to leave in the wake of the appointment of Chairman Neil Austrian— Weinblatt comments on the move.

OP COUNTERS MIAMI KNOCKS

Miami Cablevision has released a point-by-point response to the city's recent criticisms on its operation. Correspondent Bill Gjebre summarizes the system's response and official reaction to that document.

ABC'S TELEFIRST DOESN'T LAST

ABC Video Enterprises decides to shut down TeleFirst, its experiment that involved in-home VCR downloading of entertainment programming, after five months of tests in the Chicago area.

PROGRAMMING 20

Rising costs are leading to rising carriage fees for basic cable program services, executives say. But cable operators fear that their profit margins will only disappear. It's an issue that heated up this year's National Show.

MARKETING/ADVERTISING 22

Canadians appear receptive to getting more variety out of their cable systems via specialty services. That assessment comes from a national survey released last week at the Canadian Cable Television Association's annual convention.

BUSINESS 39

Officials at United Satellite Communications Inc. are seeking new corporate investors for the nation's first direct broadcast satellite service after a private placement designed to raise $40 million recently failed. Analysts say the company could soon run out of money without additional financing and will need as much as $250 million to carry out plans to take the DBS service nationwide over the next few years.

GOVERNMENT & LAW 42

The Freedom of Expression Act removing most content control from the electronic media was dealt a possible death blow when Commerce Committee members, finding that the targets of the bill were too politically advantageous, agreed to table the measure as it applies to radio only.

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About the cover

Artist Todd Lockwood depicts the VCR-pay cable bout in a colorful cartoon rendering.

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VCRs: moving in on cable's turf?

What do more than ten percent of American households possess that is shaking up the industry? The answer can be spelled out in three letters: VCR. The videocassette recorder is the transistor radio of the '80s; the phenomenal growth of home video poses some real challenges—some would say threat—to pay cable. In a *CableVision Plus* report, Associate Editor Sally Russell explores the VCR factor vis-a-vis cable's future. Also, West Coast Bureau Chief Eric Taub tells how cable programmers wooed the critics of the Fourth Estate in a recent seminar in Phoenix.

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PRODUCTION:
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ADVERTISING:
Denver: Donna Briggs, National Sales Manager; Cathy Wilson, Senior Account Executive; Marcia Larson, Account Executive; Suzanne Sparrow, Classified Sales Manager; Pam Berke, Marketing Coordinator; Customer Service; Judith Ferland, Circulation Director; Mike Mullins, Circulation; K. Kelly Banwell, Traffic Manager; Patti Crossland, Traffic.

OFFICES:
Denver: 1621 18th St., Denver, Colo. 80202 or P.O. Box 5727-TA, Denver, Colo. 80217. (303) 295-0900.
New York: 101 Park Ave., Suite 401, New York, N.Y. 10178. (212) 661-7410.
Los Angeles: 101 North Robertson Blvd., Suite 206, Beverly Hills, Calif. 90211. (213) 659-3965.
Washington: 1701 K St., NW, Suite 805, Washington, D.C. 20006. (202) 835-0900.

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BPA

Will VCRs KO pay cable?

The jury's still out. No one knows for sure what effect the videocassette recorder market may have on the cable TV market.

By Sally Russell

The explosive growth in the videocassette recorder business has been one of the success stories in consumer electronics this year. The pace at which American households snapped up these high-ticket items over the past twelve months has rendered most predictions obsolete only a few months after they were hazarded.

Some call VCRs the new American status symbol, following on the heels of the Sony Walkman invasion and the home computer boom. They say the recorders are mirroring the growth of color television—and even pay television services—in its early days. Others, more skeptical of the phenomenon, liken the boom to that of video games, which have taken a decided downturn in popularity after looking like a sure bet to hundreds of electronics companies.

Whatever the future course, videocassette recorders and prerecorded video tapes are well-entrenched in the American marketplace, with some 10 percent of U.S. households owning a unit. Cable operators and pay television services are eyeing the new upstarts warily, fearing that VCRs might lay claim to a chunk of what has been their territory by diverting the precious entertainment dollar.

What effect does VCR ownership have on cable subscriptions? Does it hurt the pay services most, particularly multipay subscriptions? Does it cut into basic cable viewing? Is the "zapping" of commercials a matter of real concern to ad-supported cable services?

Unfortunately, there is no hard evidence to confirm any of the speculation that has surrounded these questions. Little in-depth research has been done on the impact of VCRs on the cable industry, and what has been conducted doesn't lend itself to definitive conclusions.

The A.C. Nielsen Co. recently completed a VCR usage report for its clients. Although Nielsen is keeping much of the information under wraps, officials there do admit it's difficult to get a handle on the relationship between usage of VCRs and basic and pay cable services.

Paul Lindstrom, research manager in charge of the Nielsen Home Video Index, said it's hard to interpret the findings that affect cable subscribers.

"For instance, we find that among VCR households, you have higher cable and higher pay penetration than we find nationally. What we're showing in the current study is about 44 percent pay penetration among VCR households, which is almost double what you find as the national average."

However, Lindstrom said it's difficult to draw conclusions from that, because the demographics of VCR users are very similar to the demographics of pay cable—users tend to be younger, more upscale, so the issue becomes fuzzy.

Another area that Nielsen looked into was the behavior of VCR owners who rent prerecorded cassettes. As Lindstrom tells it: "Among the VCR homes that are renting, pay penetration is lower—only 32 percent, compared with 44 percent for all VCR households. It appears that rental and pay (cable) may have somewhat of an effect on each other. But it's a chicken-and-egg situation, because people who have pay (cable) are much less likely to rent and you don't know which is the causal factor—whether or not people elected to get pay (cable) and say they no longer need to rent, or vice versa."

In addition, Lindstrom said that although people who rent tapes are less likely to subscribe to a pay cable service, they are more likely to subscribe to multiple pay services.

"When you look at pay (cable) households within the total sample, we're showing around 43 percent multipay, whereas among the households that rent, it's up to 47 percent, and among those that are purchasing (prerecorded cassettes), it's up to 53 percent. It's not a clear-cut issue, and it needs further investigation in order to come up with very definitive types of answers," he added.

One finding that is clear from the study is that VCRs are still used most often for time-shifting—recording a program off broadcast or cable television to be viewed at a later time convenient for the user. According to Lindstrom, 85 percent of the playbacks were taped from television, with only 15 percent done from prerecorded tapes, both rental and purchase.

However, fully 70 percent of those sampled had rented a cassette in the last year and 20 percent had bought a prerecorded tape in the last year.

Officials at Home Box Office have been doing their own research,

"We should acknowledge this tremendous acceleration of VCRs and do everything we can to make sure that our operating philosophy and marketing philosophy are compatible with VCRs."

Edward Bennett,
Executive Vice President,
Viacom International

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"We're seeing the effect of people beginning to become disenchanted with pay television—and that's happening whether or not they have a VCR"

Tony Hoffman, Analyst
Cralin & Co.

trying to measure the effect of VCR usage on HBO and Cinemax. Says Seth Abraham, HBO senior vice president of programming, operations and sports: "We don't think there's enough evidence at this point to lead us to any conclusions. We have some hypotheses, but there aren't enough incontrovertible facts to let us know what will happen down the road. . .The jury's still out. No one knows whether (VCR usage) replaces pay—we don't think so, obviously."

One of Abraham's hypotheses is that HBO and Cinemax are less vulnerable to VCR usage than all-movie services due to the original programming that they offer. "As people build up libraries of films. . .it's possible the appetite for some of those films will be less," Abraham ventured. "But HBO and Cinemax, with their original (programming), are less susceptible—although they aren't immune—to any kind of dramatic cannibalization by VCRs."

David Waterman, president of Waterman & Associates and adjunct professor at the Annenberg School of Communications at the University of Southern California, says it's virtually impossible to quantify the impact of VCRs on cable television with available data.

"There are some hints that videocassette rentals and sales are substitutes to some extent for pay television subscriptions. One hint is that the people who have pay subscriptions and have VCRs tend

to rent substantially less tapes than those people who have only VCRs, but that's a very indirect hint," he cautioned.

Waterman believes the primary effect will be on pay services, because videocassette sales and rentals are the closest substitute for pay cable. "The main effect, and what's going to be most important down the road, is tape sales and rentals of theatrical features," he added. "That undermines the demand for pay cable, particularly for multi-tiering, and I think those effects could be substantial and have generally been underestimated to date."

Although projections range all across the landscape, Michael Marcovsky, president of Marnel Associates, sees the number of videocassette recorders in American homes equalling or surpassing the number of pay households within two years. If that occurs, VCR usage may not only cut into the growth potential for pay services, but may actually win customers away from the pay networks.

Edward Bleier, executive vice president of Warner Bros. Televison, thinks the growth and availability of home video products could easily shake out the marginal pay television subscriber or the marginal tier. To that extent, he views VCRs as a real threat to cable.

Others see a more positive aspect. "On the plus side, (VCRs) clearly enhance pay television," observes Edward Bennett, executive vice president at Viacom International. "A VCR with pay television translates to perhaps a more intelligent use of the product because you've got greater convenience—you can increase your choices. . .and with a lot of people, particularly the young professionals and people who aren't home enough to watch TV, convenience is really important to them."

Adds Barbara Russell, an analyst with Prudential Bache: "The VCR enhances premium cable service. . .As long as the pay cable networks can keep a good stream of product flowing that the consumers not only are interested in but feel it's of recordable value, then pay cable will be bought by VCR homes."

However, while a VCR can enhance the enjoyment of a pay cable service by providing more convenience to the viewer, some people feel it will also intensity the

Total Videocassette Recorder Sales

Year	Total sales to dealers in units	Total factory sales in dollars
1980	805,000	$621,000,000
1981	1,361,000	$1,127,000,000
1982	2,035,000	$1,303,000,000
1983 (proj.)	4,150,000	$2,150,000,000
1984 (est.)	5,500,000	$2,650,000,000

Source: Electronics Industries Association Consumer Electronics Group, January 1984.

Blank Videocassettes Sales

Year	Total sales to dealers in units	Total factory sales in dollars
1982	24,700,000	$280,000,000
1983	57,000,000	$485,000,000
1984	77,000,000	$590,000,000

Source: Electronic Industries Association Consumer Electronics Group, January 1984.

Pre-recorded Videocassettes

Year	Total sales to dealers in units
1982	8,800,000
1983	9,500,000
1984	14,000,000

Source: Electronics Industries Association Consumer Electronics Group, January 1984.

Pay Cable and VCR Household Growth: 1982-1985

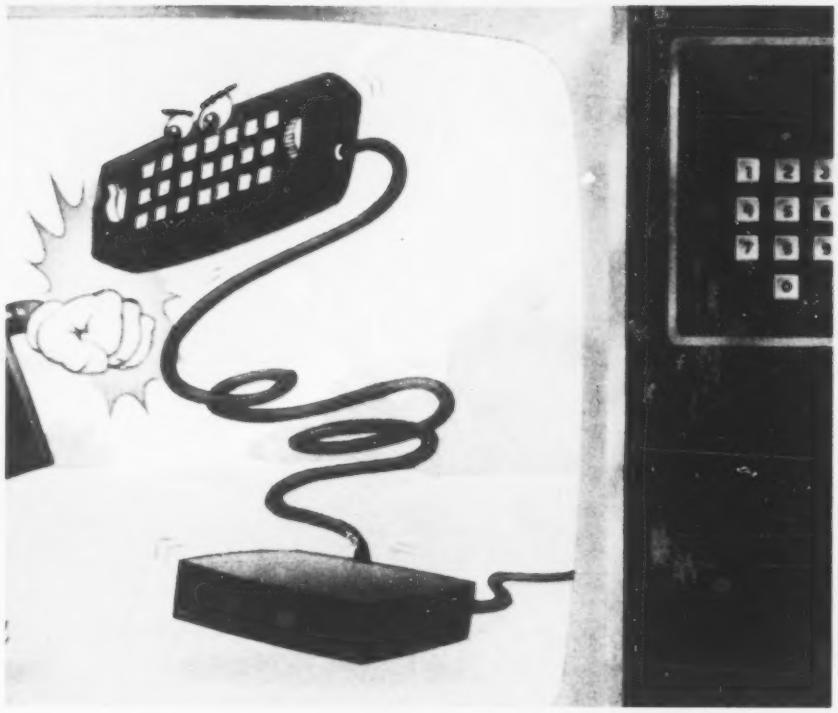
Year	Pay Cable HHs	VCR HHs
1982	14,000,000	4,500,000
1983	21,500,000	9,000,000
1984	24,000,000	14,500,000
1985	26,000,000	22,000,000

Source: the Yankee Group

VCR Owners—Pay TV and VCR Owner

- 65% have access to cable.
- 47% subscribe to cable.
- 20.1% subscribed to cable in the past, but do not do so now.

Source: Link Resources, March 1984.



Whatever the future course, videocassette recorders and pre-recorded video tapes are well-entrenched in the American marketplace, with some 10 percent of the U.S. households owning a unit.

disenchantment that some subscribers feel after viewing a service for awhile and seeing most of the service's film library. According to Tony Hoffman, an analyst with Cralin & Co., subscribers within a few years of signing up for a pay cable service can go from being overwhelmed and "pigging out" on video product to the point where they complain there's "nothing" on pay television anymore.

"We're seeing the effect of people beginning to become disenchanted with pay television—and that's happening whether or not they have a VCR. But it's intuitive that the VCR enhances that phenomenon and makes it happen quicker," he adds.

Some cable operators believe that good, aggressive marketing may go a long way toward counteracting the potential deleterious effects that videocassette recorders may have on the cable industry. "We have to try and position in people's minds the notion that not only is broadcast television complementary to VCR use and purchase, but so is pay television," according to Phillip Lind, senior vice president at Rogers Cablesystems.

"We have to really go out and create and reinforce that notion in people's minds through marketing and advertising—really go after VCR users," he adds. Lind says that one of the reasons that pay services are suffering in Canada right now, beyond considerations of price and programming, is because videocassettes had penetrated the marketplace at a much higher level before the cable industry emerged.

"If pay TV is properly marketed," contends Warner's Bleier, "people are going to understand they'll have 50, 60 or 70 opportunities a month on each of their pay channels to timeshift desirable material. So if cable marketing is very sophisticated, (the industry) could turn what looks like a threat into an opportunity."

Viacom's Bennett urges operators to become "VCR-friendly." "We should acknowledge this tremendous acceleration of VCRs and do everything we can to make sure that our operating philosophy and our marketing philosophy are compatible with VCRs."

"When our customers buy a VCR, they should be very clear about what they're buying, what is a cable-ready VCR and does it work on a cable system. . . .When a customer gets a VCR, we should be ready, willing and able to provide that customer with an installation," he added. "Clearly, we don't want to be in a position where somebody goes out and buys a VCR and finds that the local cable company doesn't have existing plans and procedures in place to deal with hooking up VCRs."

Cable operators have other strategies available to them to offset the threat posed by videocassettes. "The biggest opportunity, which the cable industry has not taken advantage of yet, is pay-per-view," argues Warner Bros.' Bleier. "I'm amazed that cable has not been more agressive in installing addressability."

Waterman agrees. "The best competitor for videocassette rentals is pay-per-view. . . The unique feature of videocassettes and its competition with pay cable is that videocassettes offer unbundled pricing—movies are sold on a movie-by-movie basis—and the distributors like videocassettes for that reason, because it allows them to earn higher revenues on a per-customer basis than does monthly subscription pay cable."

"The most viable competitor of videocassettes is other media which offer this unbundled, movie-by-movie pricing because the distributors can be induced to

release movies earlier and earlier," he adds. "The smartest thing cable operators can do is try to achieve addressability and to look into these hybrid, telephone-cable two-way systems to achieve two-way addressability, so that pay-per-view systems can become viable."

Rogers' Lind urges operators to "heavy up" on pay-per-view. "It's a viewer sovereignty issue, and viewers can achieve sovereignty better by pay-per-view than they can by sitting back and letting Michael Fuchs (of HBO) program for them," he contends. "The industry has to make a bigger commitment to pay-per-view, and so do the (movie) studios."

Rogers Cablesystems is presently offering pay-per-view in its Portland, Minneapolis and southern California systems, and is about to feature it in San Antonio. Lind says the company has had good success with PPV.

"You've got to out-convenience the home video industry," says Marcovsky. "It's the convenience factor that's very important. And the cable operators have both an advantage and a disadvantage.

"On the one hand, you can say that the cable operator could just be a big, expensive dinosaur with a tail that he can't even swish around town—or he can be someone who can deliver goods and services directly into the home on a most convenient basis. The cable operator is the true home video because you don't even have to go to the video store," he added.

Russell of Prudential Bache believes pay-per-view could arrange the way pay cable services are consumed at home. "The maximization of choice is probably what's more at issue. . . By and large, the consumer is not interested in the delivery system but seeks choice at a good value."

"With addressability becoming more the rule than the exception, the film companies most likely would use the cable systems as a delivery mechanism for those blockbuster films they've held back from the pay services," she continued, "and the cable companies, at the right cut of that action, have a great deal of motivation to play along with that." She added that several cable operators sell videocassettes in their local cable stores and that some large operators are looking to get into the business.

Bennett of Viacom believes fulfillment, not addressability, is the critical element necessary for pay-per-view. "How you conduct the order-taking and the transactions, the ability to order, get the product and be billed for it correctly—the missing element is a sophisticated, two-way interactive ordering and fulfillment system which makes the service convenient and easy to use," he argues. Bennett says such a system could be developed within 18 months to two years.

HBO's Abraham takes a different view. "I don't think pay-per-view is an automatic pot of gold at the end of the rainbow," he warns. "I don't think it's necessarily an automatic panacea for anybody or anything. I think it depends on the title.

"Over the last three years, there has been a handful of successful pay-per-view events," he continued. "The successes are a number of prize fights. The failures, including prize fights, are *Sophisticated Ladies*, *Pirates of Penzance* and rock shows. It all depends on the event."

Another of Abraham's hypotheses is that fights work as pay-per-view because they are news events—they are live and the outcome of the event is in doubt. "When you put on a concert or a movie, it's not in doubt. If you don't see it at that time, you can see it again. But a prize fight has a winner and a loser and that's the end of the story."

Hoffman worries that the public may be oversaturated by pay-per-view offerings. "The first guy who does (pay-per-view) and makes a success of it is going to start a landslide," he contends. "Everybody is going to think that every film they've got is pay-per-viewable. They're going to overuse pay-per-view and diminish the appreciation of it. . . There are going to be events or movies that are promoted and not watched, and revenues aren't going to be high enough—and all of a sudden everyone's going to be down on pay-per-view again."

The home video industry is just one of a growing number of alternative programming choices that are becoming available to American households in the 1980s. While each new technology seems to elicit a wave of competitive fear from the cable industry, there is little hard evidence to show that VCR use is cutting into cable viewership levels or subscription figures. And each new challenge in turn presents a new opportunity for the cable industry to tailor its operations and marketing to attract and keep customers.

"I don't think pay-per-view is an automatic pot of gold at the end of the rainbow. I don't think it's necessarily an automatic panacea for anybody or anything."

Seth Abraham,
HBO Senior Vice President/
Programming

As Bleier put it: "The videocassette recorder is a fundamentally appealing piece of equipment, and people are just beginning to explore the camera potentiality of it.

"To my mind, if there's any single, urgent, salient challenge of this year's technology and of this year's annual convention, it is the relationship of the videocassette recorder to cable, and the cable industry's response with pay-per-view. The cable industry has been very relaxed about pay-per-view, and now it's got to consider very seriously the challenge and the opportunity of home video." ■

Film product comparison—June

Film	Pay Networks					Distributor
Adventures of Sherlock Holmes			TMC*			Gutman
Angel of H.E.A.T.					MAX*	Carolco
The Awakening			TMC*			Warner Bros.
Bad Boys					MAX*	AFD
The Barretts of Wimpole Street		ST				MGM/UA
Beach Red			TMC			MGM/UA
Best Friends	(HBO)	(ST)	(TMC)	HTN*	(MAX)	Warner Bros.
Best Little Whorehouse in Texas		ST*	(TMC)			Universal
Betrayal			TMC*			20th Century-Fox
Between Friends	HBO					R. Cooper
Bilitis: The Loves of a Young Woman					MAX*	Atlantic
Black Beauty			TMC*			Gleitzman
Blue Collar			TMC			Universal
Blue Skies Again	(HBO)		(TMC)	HTN		Warner Bros.
Blue Thunder	HBO				MAX	Columbia
Boarding School		ST				Atlantic
Breathless					MAX*	Orion
The Bridge on the River Kwai		(ST)		HTN	(MAS)	Columbia
The Brood					MAX	New World
The Caine Mutiny		(ST)	(TMC)		MAX*	Columbia
Carousel					MAX*	20th Century-Fox
Carry On Emanuelle		ST*				Excel Video
Catastrophe					MAX	Viacom
Charlie Chan and the Curse of the Dragon					MAX	ACI
The Chosen				HTN		20th Century-Fox
Circle of Power		ST*				Intertim
Class Reunion	HBO	ST	TMC			ABC
Cold River					MAX	Simcom
Courage of Black Beauty			TMC			Alan Enterprises
Crimebusters			TMC			MGM/UA
Curtains	HBO					Simcon
The Dark Crystal	HBO	ST	TMC			Henson Assoc.
David and Lisa			TMC			Alan Enterprises
Dead and Buried					MAX	Film Finance
Dead End					MAX	S. Goldwyn
Deadly Force	HBO		TMC			Embassy
Devonsville Terror		ST*				Atlantic
The Diary of Anne Frank					MAX*	20th Century-Fox
The Divided Heart					MAX	Janus
Doctor Detroit	HBO	ST	TMC		MAX	Universal
Double Exposure			TMC			Crown
The Duellists			TMC			Paramount
East of Elephant Rock			TMC			Goldwyn
An Elephant Called Slowly		ST				Alan Enterprises
Emily					MAX	Atlantic
Endless Summer			TMC			Pacific Arts
Enigma					MAX	MGM/UA
Enter the Dragon			TMC*		MAX	Warner Bros.
Everything You Always Wanted to Know About Sex			(TMC)		MAX	MGM/UA
Fallen Angel					MAX*	N/A
A Farewell to Arms			TMC	(HTN)		20th Century-Fox
Fast Times at Ridgemont High		ST				Universal
Fat Chance			(TMC)		MAX	Wrightwood
Fedora					MAX*	Lorimar
Felicity					MAX	Satori
Final Exam		ST				Embassy
Firefox		(ST)		HTN	MAX*	Warner Bros.
First Blood					MAX*	Anabasis Invest.
Five Days One Summer				HTN*		Warner Bros.
Five Fingers				HTN*	(MAX)	20th Century-Fox
The Fixer		ST				MGM/UA
Flolkes					MAX	Universal
Force Five					MAX	Viacom
Friday the 13th Pt. III	HBO		(TMC)			Paramount
From the Terrace			TMC	(HTN)	MAX	20th Century-Fox
Funeral Home			TMC			Wescom
Get Crazy	HBO*					Embassy
Goodbye Emanuelle		ST*				Excel Video

Film	Pay Networks					Distributor
Grease 2	HBO					Paramount
Gregory's Girl			TMC			Goldwyn
Guys and Dolls					MAX*	Goldwyn
The Halls of Montezuma			TMC	(HTN)		20th Century-Fox
Homeward Bound					MAX	Time Life Films
Hooch			TMC			Muller Media
Hounds of Notre Dame			TMC			Atlantic
Huckeberry Finn		ST				MGM/UA
The Hunger		ST*	(TMC)			MGM/UA
The Hunter	HBO	(ST)				Paramount
The Hustler			TMC		MAX	20th Century-Fox
I'd Climb the Highest Mountain				HTN*	MAX*	20th Century-Fox
If			TMC			Paramount
Improper Channels					MAX	Viacom
Interiors			(TMC)		MAX	MGM/UA
International Velvet	(HBO)	ST	(TMC)			MGM/UA
Interrupted Melody		ST				MGM/UA
Intimate Moments					MAX*	Embassy
Island of Adventure			TMC			Goldwyn
Jack the Giant Killer		ST*				MGM/UA
Jekyll and Hyde Together Again		ST				Paramount
Julius Caesar		ST				MGM/UA
The King of Comedy	HBO*				(MAX)	20th Century-Fox
Let the Balloon Go				HTN		Inter-Planetary
Local Hero	(HBO)	ST*	TMC*	(HTN)		Warner Bros.
Lookin' to Get Out		ST	TMC			Lorimar
Love and Death			TMC*		MAX	MGM/UA
Love Child		(ST)			MAX	Warner Bros.
The Man From Snowy River			TMC	HTN		20th Century-Fox
Manhattan		(ST)			MAX	MGM/UA
Manny's Orphans		ST*		(HTN)		Castle Hill
Man Who Saw Tomorrow			(TMC)		MAX*	Warner Bros.
Margie				HTN*		20th Century-Fox
Marilyn					MAX	Time Life Films
Mary White			TMC	(HTN)		UPA
Megaforce					MAX*	Film Gallery
Middle Age Crazy	HBO					Tormont
Midsummer Night's Sex Comedy		ST	TMC		MAX	Warner Bros.
Mistress Pamela		ST				Intercontinental
Mountain Family Robinson	HBO	(ST)	(TMC)	(HTN)		Simcom
Nightshift		ST	(TMC)		(MAX)	Warner Bros.
No Highway in the Sky				HTN*		20th Century-Fox
Odyssey of the Pacific		ST	(TMC)	HTN*		Universal
An Officer and a Gentleman			TMC*			Paramount

Burt Reynolds and Goldie Hawn co-star in 'Best Friends'

CABLE STATS

Film	Pay Networks					Distributor
Oh What a Lovely War			TMC			Paramount
On the Waterfront		ST	(TMC)	(HTN)	(MAX)	Columbia
Oklahoma!					MAX	S. Goldwyn
Oliver Twist		ST				London Weekend
Penetentiary		ST	(TMC)			MGM/UA
The Pirate Movie	HBO		(TMC)	HTN*		20th Century-Fox
The Playbirds					MAX	Satori
Please Believe Me		ST				MGM/UA
Poltergeist	HBO*	(ST)	(TMC)			MGM/UA
The Pony Soldier				(HTN)	MAX	20th Century-Fox
Porky's		(ST)	TMC		(MAX)	20th Century-Fox
Pride of the Yankees					MAX	N/A
The Prizefighter					MAX*	Prizefighter Ltd
Professor Wagstaff's Time Machine		ST				Satori
Prom Night	HBO					Embassy
Psycho II	HBO	ST	TMC			Universal
Puberty Blues					MAX	Universal
Q"			TMC			UFS
Race for the Yankee Zephyr	HBO					Hemdale
Raggedy Man		ST			MAX	Universal
Riddle of the Sands	HBO*		TMC*			Satori
Right of Way	HBO					Schaefer-Karpf
Rocky III	HBO	ST*	(TMC)	HTN	(MAX)	MGM/UA
The Runner Stumbles					MAX	Viacom
Savage Harvest					MAX	Savage Harvest
The Second Time Around				HTN*	(MAX)	20th Century-Fox
Sherlock Holmes and the Pearl of Death			TMC*			Gutman
Sherlock Holmes and the Scarlet Claw			TMC*			Gutman
Sherlock Holmes and the Spider Woman			TMC*			Gutman
Sherlock Holmes and the Woman in Green			TMC*			Gutman
Shipwreck	(HBO)		TMC			Warner Bros.
Sign of Four	(HBO)	ST	(TMC)			PSO
Singing Nun		ST				MGM/UA
Sink the Bismark		ST		(HTN)	(MAX)	20th Century-Fox
Sitting Ducks		ST				UFD
Six Pack	HBO	(ST)	TMC	HTN	(MAX)	20th Century-Fox
Smilin' Through		ST				MGM/UA
Soldier of Orange					MAX	S. Goldwyn
Sophie's Choice	HBO*					ITC
Space Hunter					MAX	Columbia
Spasms			TMC			Bill Andrews
Splendor		ST				Goldwyn
Split Image	HBO*					Poly Gram
Spring Break	HBO					Columbia
Squeeze Play		ST	(TMC)			Troma
Stars and Stripes Forever				HTN		20th Century-Fox
Stardust Memories			TMC*		MAX	MGM/UA
Star Trek II The Wrath of Khan	(HBO)	ST*	TMC	(HTN)		Paramount
St. Helens					MAX	M. Murphy
Still of the Night	HBO				(MAX)	MGM/UA
The Sting II	HBO	ST	TMC			Universal
Summer Lovers		(ST)	TMC*		MAX	Orion
Swamp Thing			(TMC)		MAX	Embassy
The Swarm			TMC			Warner Bros.
Ten Speed				HTN		NBS Video
10 to Midnight	HBO	(ST)	(TMC)		(MAX)	Viacom
There's No Business Like Show Business				(HTN)	MAX*	20th Century-Fox
Threshold	(HBO)	ST	(TMC)			20th Century-Fox
A Time to Die	HBO*					Aimi Group
Time Walker		ST		(HTN)		Wescom
Tin Man	HBO*		TMC*			Goldtarb
The Towering Inferno			TMC		MAX*	20th Century-Fox
The Toy			(TMC)		(MAX)	Columbia
The Trouble with Girls		ST*				MGM/UA
Twilight Zone-The Movie	(HBO)	(ST)	(TMC)	HTN		Warner Bros.
Vacation	HBO	ST	TMC		MAX	Warner Bros.
The Verdict		(ST)	TMC		MAX	20th Century-Fox
Vice Squad		(ST)			MAX	Embassy
Voices	HBO		TMC			MGM/UA
Waltz Across Texas			TMC	(HTN)	MAX*	Atlantic
War Games	HBO*	ST*	(TMC)	(HTN)	MAX*	MGM/UA
Waterhole #3			TMC*			Paramount
The Wedding Night		ST				Goldwyn
Where the Lilies Bloom		ST*				MGM/UA
Where the Spies Are		ST				MGM/UA
Whose Life Is It Anyway?		(ST)			MAX	MGM/UA
X ray		ST				Cannon
Year of Living Dangerously	HBO*	(ST)	(TMC)	(HTN)	(MAX)	MGM/UA
The Young Lions				HTN	(MAX)	20th Century-Fox

Cable Network Legend:
HBO-Home Box Office
ST-Showtime
TMC-The Movie Channel
HTN-Home Theater Network
MAX-Cinemax

- Networks in parentheses indicate carriage in January, February, March, April, May and/or June.
- An asterisk indicates that the film is a carry-over from January, February, March, April, May and/or June.
- In total, 18 films appear on the June schedules of HBO, Showtime, The Movie Channel, Home Theater Network and Cinemax. Of those titles, during the last six months, five films have played on all five services, eight films have played on four of the five services, 23 on three services and 41 on two services. One hundred fourteen were unduplicated.
- The motion picture distributor with the most titles on pay TV this month is MGM/UA with 30, followed by 20th Century-Fox with 26 and Warner Bros. with 15.
- National Lampoon's *Vacation* is featured on HBO's June program guide cover along with *Carlin on Campus* starring George Carlin, the *Paul Newman Festival* and *Blue Thunder*. Home Theater Network features *Blue Skies Again* on its program guide cover. On Showtime's program guide cover appears *Stevie Wonder Comes Home, Frankenstein on Broadway* and *Paper Chase: The Second Year*. Featured on The Movie Channel program guide is National Lampoon's *Vacation, Psycho II* and *The Dark Crystal*.

Top 20 systems

Rank	Location	Operator	Basic subs	
1	San Diego, CA	Cox Cable	242,283	(4/84)
2	Woodbury (Long Island), NY	Cablevision Systems	225,000	(3/84)
3	Manhattan, NY	ATC	187,900	(12/83)
4	Houston, TX	Warner Amex	184,414	(4/84)
5	Florida Division[1]	ATC	179,800	(12/83)
6	San Antonio, TX	Rogers Cablesystems	178,840	(4/84)
7	East Orange, NJ	MacLean Hunter	160,109	(3/84)
8	Cincinnati area, OH	Warner Amex	137,090	(4/84)
9	Wayne, NJ	UA Cablesystems	130,156	(4/84)
10	Tulsa, OK	United Cable	114,099	(4/84)
11	Audubon, NJ	NYT Cable	113,388	(4/84)
12	Atlanta, metro area	Prime Cable	109,000	(4/84)
13	Rochester, NY	ATC	108,600	(12/83)
14	Erie County, NY	Prime Cable Corp.	106,444	(4/84)
15	Baltimore County, MD	Comcast Cable	106,000	(4/84)
16	Tidewater (Norfolk), VA	Cox Cable	103,866	(4/84)
17	San Jose, CA	Gill Industries	102,000	(4/84)
18	Austin, TX	ATC	98,900	(12/83)
19	Honolulu, HI	ATC	97,100	(12/83)
20	Jacksonville, FL	Continental	95,869	(4/84)

1 Includes Orlando, FL and Melbourne, FL.
2 Includes DeKalb, GA, Atlanta, GA and East Pt. College, GA.

Source: Subscriber counts are provided by MSOs and individual systems to Titsch Communications Inc.

Top 20 MSOs

Rank	Multiple system operator	Basic subs	
1	Tele-Communications Inc.	2,766,000	(1/84)
2	American Television and Communications Corp.	2,400,000	(12/83)
3	Group W Cable	1,988,352	(4/84)
4	Cox Cable Communications Inc.	1,494,008	(4/84)
5	Storer Cable Communications	1,413,000	(3/84)
6	Warner Amex Cable Communications Inc.	1,382,983	(4/84)
7	Times Mirror Cable TV Inc.	961,638	(4/84)
8	Continental Cablevision	868,000	(4/84)
9	Newhouse Broadcasting	835,977	(4/84)
10	Viacom Cablevision	747,145	(4/84)
11	United Cable Television Corp.	649,000	(3/84)
12	Sammons Communications Inc.	593,000	(4/84)
13	Rogers Cablesystems Inc.	526,000	(4/84)
14	Cablevision Systems Development Co.	502,000	(4/84)
15	Comcast Cable Communications	459,000	(4/84)
16	Telecable Corp.	410,478	(4/84)
17	Jones Intercable	387,748	(4/84)
18	Heritage Communications Inc.	379,288	(4/84)
19	Capital Cities Cable Inc.	354,560	(4/84)
20	UA Cablesystems Corp.	345,549	(4/84)

1 Includes MetroVision, NewChannels, Vision Cable.

Source: Subscriber counts are provided by MSOs to Titsch Communications Inc.